

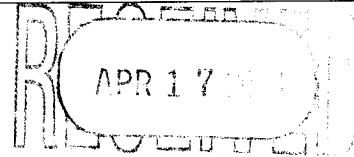
**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

W-01452A  
Cave Creek Water Company  
Attn: Jay M. George, III  
P.O. Box 13507  
Scottsdale, AZ 85267



ARIZONA CORPORATION  
COMMISSION



**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2002
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*Entered  
4/25/03  
CJM*  
*2002  
assessment  
db updated  
CJM.*

FOR COMMISSION USE

Ann04	02
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OK

## COMPANY INFORMATION

**Company Name (Business Name)** Cave Creek Water Company

**Mailing Address** P.O. Box 13507  
(Street)

Scottsdale

(City)

AZ

(State)

85267

(Zip)

(480) 488-3331

Telephone No. (Include Area Code)

(480) 488-0939

Fax No. (Include Area Code)

(602) 300-1737

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Local Mailing Address** P.O. Box 13507  
(Street)

Scottsdale

(City)

AZ

(State)

85267

(Zip)

(480) 488-3331

Telephone No. (Include Area Code)

(480) 488-0939

Fax No. (Include Area Code)

(602) 300-1737

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** Jay M. George President  
(Name) (Title)

P.O. Box 13507

(Street)

Scottsdale

(City)

AZ

(State)

85267

(Zip)

(480) 488-3331

Telephone No. (Include Area Code)

(480) 488-0939

Fax No. (Include Area Code)

(602) 300-1737

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**On Site Manager:** Jay M. George  
(Name)

P.O. Box 13507

(Street)

Scottsdale

(City)

AZ

(State)

85267

(Zip)

(480) 488-3331

Telephone No. (Include Area Code)

(480) 488-0939

Fax No. (Include Area Code)

(602) 300-1737

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

See accountants' report.

<b>Statutory Agent:</b> <u>Michael A. Curtis</u>			
(Name)			
<u>2712 N. 7<sup>th</sup> Street</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85006</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 248-0372</u>	<u>(602) 266-8290</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area (Code)	Pager/Cell No. (Include Area Code)	
<b>Attorney:</b> <u>Michael A. Curtis</u>			
(Name)			
<u>2712 N. 7<sup>th</sup> Street</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85006</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 248-0372</u>	<u>(602) 266-8290</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

- |  |   |
|--|---|
| <input type="checkbox"/> <b>Sole Proprietor (S)</b>    | <input checked="" type="checkbox"/> <b>C Corporation (C) (Other than Association/Co-op)</b> |
| <input type="checkbox"/> <b>Partnership (P)</b>        | <input type="checkbox"/> <b>Subchapter S Corporation (Z)</b>                                |
| <input type="checkbox"/> <b>Bankruptcy (B)</b>         | <input type="checkbox"/> <b>Association/Co op (A)</b>                                       |
| <input type="checkbox"/> <b>Receivership (R)</b>       | <input type="checkbox"/> <b>Limited Liability Company</b>                                   |
| <input type="checkbox"/> <b>Other (Describe)</b> _____ |   |

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> <b>APACHE</b>     | <input type="checkbox"/> <b>COCHISE</b>             | <input type="checkbox"/> <b>COCONINO</b> |
| <input type="checkbox"/> <b>GILA</b>       | <input type="checkbox"/> <b>GRAHAM</b>              | <input type="checkbox"/> <b>GREENLEE</b> |
| <input type="checkbox"/> <b>LA PAZ</b>     | <input checked="" type="checkbox"/> <b>MARICOPA</b> | <input type="checkbox"/> <b>MOHAVE</b>   |
| <input type="checkbox"/> <b>NAVAJO</b>     | <input type="checkbox"/> <b>PIMA</b>                | <input type="checkbox"/> <b>PINAL</b>    |
| <input type="checkbox"/> <b>SANTA CRUZ</b> | <input type="checkbox"/> <b>YAVAPAI</b>             | <input type="checkbox"/> <b>YUMA</b>     |
| <input type="checkbox"/> <b>STATEWIDE</b>  |   |  |

See accountants' report

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	13,877		13,877
304	Structures and Improvements	379,059	108,931	270,128
307	Wells and Springs	148,512	115,097	33,415
311	Pumping Equipment	593,534	236,469	357,065
320	Water Treatment Equipment	39,177	4,457	34,720
330	Distribution Reservoirs and Standpipes	244,870	139,888	104,982
331	Transmission and Distribution Mains	5,694,643	2,247,266	3,447,377
333	Services	412,149	115,095	297,054
334	Meters and Meter Installations	237,127	102,489	134,638
335	Hydrants	124,318	34,383	89,935
336	Backflow Prevention Devices	31,981	4,584	27,397
339	Other Plant and Misc. Equipment	1,069,624	286,354	783,270
340	Office Furniture and Equipment	38,854	21,121	17,733
341	Transportation Equipment	165,867	60,999	104,868
343	Tools, Shop and Garage Equipment	58,930	17,724	41,206
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	1,546	885	661
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>9,254,068</b>	<b>3,495,742</b>	<b>5,758,326</b>

This amount goes on the Balance Sheet Acct. No. 108 

See accountants' report.

### **CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	13,877	-	-
304	Structures and Improvements	379,059	4.93	18,664
307	Wells and Springs	148,512	3.43	5,085
311	Pumping Equipment	593,534	4.77	28,283
320	Water Treatment Equipment	39,177	5.00	1,959
330	Distribution Reservoirs and Standpipes	244,870	3.59	8,787
331	Transmission and Distribution Mains	5,694,643	4.43	251,822
333	Services	412,149	4.97	20,450
334	Meters and Meter Installations	237,127	4.09	9,678
335	Hydrants	124,318	4.96	6,157
336	Backflow Prevention Devices	31,981	5.00	1,599
339	Other Plant and Misc. Equipment	1,069,624	4.99	53,325
340	Office Furniture and Equipment	38,854	4.24	1,644
341	Transportation Equipment	165,867	4.14	6,860
343	Tools, Shop and Garage Equipment	58,930	4.47	2,633
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	1,546	3.17	49
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>9,254,068</b>	<b>4.51</b>	<b>416,995</b>

This amount goes on Comparative Statement of Income and Expense \_\_\_\_\_  
 Acct. No. 403.

See accountants' report.

### BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 142,739	\$ 336,039
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	84,056	109,638
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	3,165	4,342
174	Miscellaneous Current and Accrued Assets	196	196
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 230,156	\$ 450,215
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 8,866,294	\$ 9,254,068
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	3,078,745	3,495,742
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 5,787,549	\$ 5,758,326
	<b>TOTAL ASSETS</b>	<b>\$ 6,017,705</b>	<b>\$ 6,208,541</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

### BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 379,831	\$ 414,382
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	68,942	78,251
236	Accrued Taxes		
237	Accrued Interest	150,614	175,667
241	Miscellaneous Current and Accrued Liabilities	7,724	8,497
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 607,111</b>	<b>\$ 676,797</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 127,752	\$ 127,752
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	1,694,352	1,828,816
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	4,605,369	4,605,369
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$ 6,299,721</b>	<b>\$ 6,434,185</b>
	<b>TOTAL LIABILITIES</b>	<b>\$ 7,034,584</b>	<b>\$ 7,238,734</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 31,250	\$ 31,250
211	Paid in Capital in Excess of Par Value	34	34
215	Retained Earnings	(1,048,163)	(1,061,477)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$ (1,016,879)</b>	<b>\$ (1,030,193)</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 6,017,705</b>	<b>\$ 6,208,541</b>

See accountants' report.

## COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,201,881	\$ 1,399,590
460	Unmetered Water Revenue		
474	Other Water Revenues	314,216	323,625
	<b>TOTAL REVENUES</b>	\$ 1,516,097	\$ 1,723,215
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 248,127	\$ 262,709
610	Purchased Water	95,508	158,599
615	Purchased Power	205,155	286,060
618	Chemicals	89,086	74,375
620	Repairs and Maintenance	24,552	35,364
621	Office Supplies and Expense	34,234	34,973
630	Outside Services	266,970	257,555
635	Water Testing	16,370	8,187
641	Rents		
650	Transportation Expenses	10,847	9,625
657	Insurance – General Liability	8,050	9,244
659	Insurance - Health and Life		8,050
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	22,328	5,225
403	Depreciation Expense	397,999	416,995
408	Taxes Other Than Income	165,654	137,252
408.11	Property Taxes	45,058	41,493
409	Income Tax	50	
	<b>TOTAL OPERATING EXPENSES</b>	\$ 1,629,988	\$ 1,745,706
	<b>OPERATING INCOME/(LOSS)</b>	\$ (113,891)	\$ (22,491)
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 3,145	\$ 3,200
421	Non-Utility Income	29,989	32,677
426	Miscellaneous Non-Utility Expenses	(40)	
427	Interest Expense	(24,778)	(26,701)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 8,316	\$ 9,176
	<b>NET INCOME/(LOSS)</b>	\$ (105,575)	\$ (13,315)

See accountants' report.



<b>COMPANY NAME</b>	<b>CAVE CREEK WATER COMPANY</b>
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**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan	Officer 1	Officer 2	All Officer	
ACC Decision No.	Prior to 1986 Rate Case	Prior to 1986 Rate Case	Prior to 1986 Rate Case	
Reason for Loan	Pay Property and Booster	Taxes, Drill Pumps	Wells, Storage	
Dollar Amount Issued	\$ 44,616	\$ 28,518	\$ 54,618	\$
Amount Outstanding	\$ 102,319	\$ 70,040	\$ 131,060	\$
Date of Maturity	On Demand	On Demand	On Demand	
Interest Rate	9%	9%	9%	
Current Year Interest	\$ 8,448	\$ 5,783	\$ 10,822	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 78,251
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Meter Deposits Refunded During the Test Year	\$ 12,728
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See accountants' report.

**WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-625097	3.0	20	420	8"	1"	1970'S
55-625096	-	15	750	10"	0	1970'S
55-521032	25	100	800	12"	3"	1980'S
55-518052	15	100	1,000	8"	3"	1980'S
55-625099	-	10	84	8"	0	1980'S
55-625798	7.5	80	210	10"	3"	1970'S
55-625094	15	50	292	10"	3"	1970'S
55-516266	10	80	357	8"	3"	1980'S
55-625095	10	50	260	8"	3"	1970'S
55-625093	-	50	317	10"	0	1970'S
55-518050	40	300	700	10"	3"	1980'S
55-516267	-	30	302	8"	0	1980'S

- Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Cap 3 -- 60 HP	1,400	422,955
9 -- 50 HP		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	6		
7.5	1	273	
10	2		
15	11		
30	8		
50	4		
40	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	0	1,000	9
15,000	2	5,000	7
20,000	0		
40,000	0		
110,000	4		
250,000	1		

COMPANY NAME

CAVE CREEK WATER COMPANY

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)****MAINS**

Size (in inches)	Material	Length (in feet)
2		25,000
3		
4		51,494
5		
6		176,893
8		187,383
10		
12		27,188
16		62,894

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	760
3/4	
1	1,170
1 1/2	
2	58
Comp. 3	
Turbo 3	1
Comp. 4	2
Tubo 4	2
Comp. 6	
Tubo 6	1

For the following three items, list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**

2 – Micro Floc Tanks

2 - Blowers

2 – Effluent Pumps

2 - Chlorinators

**STRUCTURES:**

Treatment Plant Bldg.

3 – Vaults – Cap Booster Stations

4 – Vaults – Pressure Reducer Valves

**OTHER:**

See accountants' report.

COMPANY NAME

CAVE CREEK WATER COMPANY

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	1,836	24,035,900	
FEBRUARY	1,838	20,366,500	
MARCH	1,843	24,237,500	
APRIL	1,866	25,680,400	
MAY	1,862	30,462,900	
JUNE	1,873	33,367,000	
JULY	1,889	39,591,300	
AUGUST	1,894	34,845,400	
SEPTEMBER	1,909	37,990,600	
OCTOBER	1,933	31,573,400	
NOVEMBER	1,930	24,480,400	
DECEMBER	1,930	21,284,100	
<b>TOTAL</b>		<b>N/A</b>	347,915,000

347,915,400<sup>om</sup>

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☒ Yes☐ No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. See attached mg/l

*(If more than one well, please list each separately)****Note: If you are filing for more than one system, please provide separate data sheets for each system.***

See accountants' report.

## CAVE CREEK WATER COMPANY

### ARSENIC LEVELS 2002

Vermeersch	0.059 mg/l
Hazelton	0.017 mg/l
Faber	0.054 mg/l
Neary	0.016 mg/l
Pee Wee	0.0076 mg/l
Rockaway	0.015 mg/l
Wright I	0.01 mg/l
Wright II	0.012 mg/l

**COMPANY NAME: CAVE CREEK WATER COMPANY**

**YEAR ENDING: 12/31/2002**

**PROPERTY TAXES**

**Amount of actual property taxes paid during Calendar Year 2002 was: \$ 41,493**

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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See accountants' report.

**VERIFICATION  
AND  
SWORN STATEMENT**  
**Intrastate Revenues Only**

**VERIFICATION**

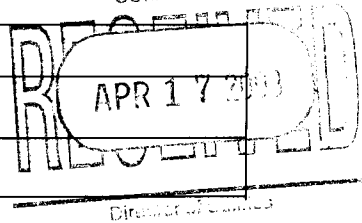
STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<b>Maricopa</b>
NAME (OWNER OR OFFICIAL) TITLE
<b>Jay M. George</b>
COMPANY NAME
<b>Cave Creek Water Company</b>

ARIZONA CORPORATE  
COMMISSION



**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 1,723,215

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 91,492  
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14th DAY OF

(SEAL)

MY COMMISSION EXPIRES 10/10/2006  
See accountants' report.

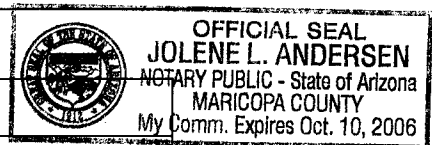
X Jay George  
SIGNATURE OF OWNER OR OFFICIAL  
(480) 488-3331

TELEPHONE NUMBER

COUNTY NAME  
Maricopa

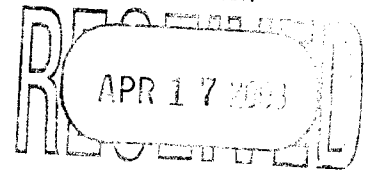
MONTH April 2003

Jolene L. Andersen  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION  
COMMISSION



**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

(COUNTY NAME)	Maricopa	
NAME (OWNER OR OFFICIAL)	Jay M. George	TITLE President
COMPANY NAME	CAVE CREEK WATER COMPANY	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

**IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:**

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 1,019,984

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 54,895  
IN SALES TAXES BILLED, OR COLLECTED

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

X Jay M. George  
SIGNATURE OF OWNER OR OFFICIAL

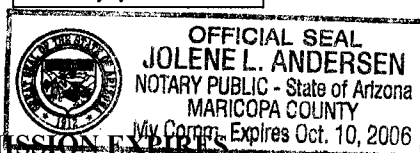
**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS** 14<sup>th</sup> **DAY OF**

**(SEAL)**

**MY COMMISSION EXPIRES**



NOTARY PUBLIC NAME Jolene L. Andersen	
COUNTY NAME Maricopa	
MONTH April	2003

X Jolene L. Andersen  
SIGNATURE OF NOTARY PUBLIC

See accountants' report.

Oct 10, 2006



028F 6

Maricopa County,  
Arizona

Doug Todd

Maricopa County Treasurer  
301 W. Jefferson Street, Room 100  
Phoenix, AZ 85003-2199

Parcel #: 211-10-028F 6 2002

Legal Description  
Lot: 28 BIK: 6N Trk: 4E

SE4 SE4 S 40' OF N 320' OF E 60' OF W 724.33'  
.06 AC

Transaction #025-03798

Payment Date: 30-OCT-2002

Paid By  
CHECK: \$ 41,044.90  
Tax: \$ 49.72  
TOTAL: \$ 49.72  
Balance: \$ 0.00

30-OCT-2002 11:35:41.93

# A COUNTY PERTY TAX EMENT

REVERSE SIDE FOR  
NFORMATION.

IE IF CHECK  
AR BANK.

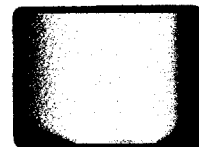
IS YOUR RECEIPT.

USE ONLY

Y=85267  
36953

RIM. TOT.   1875   300		AREA CODE 932200		SUBTOTAL		4.82		57427		17.22		TAX AMOUNT		49.72	
FULL CASH (SECONDARY) VALUES												SECONDARY			
TYPE	FULL CASH	%	ASSESSED	FLOOD		.18		2119		2.04		DUE OCT. 1, 2002 DELINQUENT AFTER NOV. 1, 2002			
AND/BLDG PERSONAL EXEMPTION	6000	16.0	960	CAWCD		.10		1300		1.24					
				OVERRIDES		.12		2102		2.02		INTEREST ON LATE PAYMENT IS 16% PER YEAR PRORATED MONTHLY AS OF THE FIRST D OF THE MONTH. ARS 42-1805			
				FIRE DIST. ASST.		.04		0076		.08					
				LIBRARY		.04		0421		.40		KEEP THIS PORTION FOR YOUR RECORDS			
				*BONDS**		.07		0800		.77					
				-COUNTY		.66		9247		8.88		IF NOT PAID BY DELINQUENT DATES, CALL OR WRITE FOR INTEREST AMOUNT.			
				-CITY		1.48		15297		15.64					
				-SCHOOLS		.12		1493		1.43		TOTALS			
				-COMM COL		2.78		33855		32.50					
SPECIAL DISTRICT (VALUE/ACRES/SQ. FT) = ASSESSED				SUBTOTAL		2.78		33855		32.50					
IF NOT PAID BY DELINQUENT DATES, CALL OR WRITE FOR INTEREST AMOUNT.				SUBTOTAL		7.40		TOTALS		\$49.72					

accordance with the Americans with Disabilities Act, the County Treasurer will provide materials in alternative formats and  
will make other reasonable accommodations upon request.





**Maricopa County,  
Arizona**

Doug Todd

Maricopa County Treasurer  
301 W. Jefferson Street, Room 100  
Phoenix, AZ 85003-2199

Parcel #: 216-20-013H 9 2002

Legal Description  
Lot: 23 BIK: 6N Trk: 4E

WELL SITE 564 564 SEC 23 DAF CON SW COR TH/OF  
TH N 34.3 03F TO PUB TH CONT N 50F TH E 50F TH S  
50F TH W 50F TO PUB

Transaction #025-03796  
Payment Date: 30-OCT-2002

Paid By  
CHECK: \$ 41,044.90  
Tax: \$ 102.26  
TOTAL: \$ 102.26  
Balance: \$ 0.00

30-OCT-2002 11:35:41.93

**MARICOPA COUNTY  
2 PROPERTY TAX  
STATEMENT**

SEE REVERSE SIDE FOR  
IMPORTANT INFORMATION.

NO CHARGE IF CHECK  
CLOSING TO CLEAR BANK.

THIS CHECK IS YOUR RECEIPT.

**OFFICE USE ONLY**

PRTKEY=85267  
SEQ=336958  
MTG=  
LOAN#=  
W

AREA CODE 932200				SUBTOTAL					
FULL CASH (SECONDARY) VALUES				SECONDARY					
TYPE	FULL CASH	%	ASSESSED						
LAND/BLDG PERSONAL EXEMPTION	7000	16.0	1120	FLOOD CAWCD OVERRIDES FIRE DIST. ASST. LIBRARY *BONDS** -COUNTY -CITY -SCHOOLS -COMM COL	3.72 2.08 2.20 14 68 1.40 13.15 29.84 2.44	2119 1300 2102 0076 0421 0800 9247 15297 1493	2.38 1.48 2.36 .08 .48 .90 10.36 18.25 1.67		
SEC. TOT.	7000		1120	SUBTOTAL	55.48	33855	37.94		
SPECIAL DISTRICT (VALUE/ACRES/50 FT) ASSESSED				DIST#					
IF NOT PAID BY DELINQUENT DATES, CALL OR WRITE FOR INTEREST AMOUNT					115.92	TOTALS	\$102.26		

FIRST HALF TAX AMOUNT  
51.13

DUE OCT. 1, 2002  
DELINQUENT AFTER  
NOV. 1, 2002

SECOND HALF TAX AMOUNT  
51.13

DUE MARCH 1, 2003  
DELINQUENT AFTER  
MAY 1, 2003

INTEREST ON LATE PAYMENT  
IS 18% PER YEAR PRORATED  
MONTHLY AS OF THE FIRST  
OF THE MONTH. ARS 42-1801

**KEEP THIS  
PORTION FOR  
YOUR RECORDS**

In accordance with the Americans with Disabilities Act, the County Treasurer will provide materials in alternative formats and  
will make other reasonable accommodations upon request.





04-59-370 7

# Maricopa County, Arizona

Doug Todd

Maricopa County Treasurer  
301 W. Jefferson Street, Room 100  
Phoenix, AZ 85003-2199

Parcel #: 604-59-370 7 2002

Legal Description Trk:  
Lot: Blk:

TOTAL VALUE OF OPERATING PROPERTY

Transaction #025-03798  
Payment Date: 30-OCT-2002

Paid By \$ 41,044.90  
CHECK: \$ 421.62  
fax: \$ 421.62  
TOTAL: \$ 0.00  
Balance: \$

30-OCT-2002 11:35:41.93

## MARICOPA COUNTY 2002 PROPERTY TAX STATEMENT

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION.

\$25.00 CHARGE IF CHECK FAILS TO CLEAR BANK.

YOUR CHECK IS YOUR RECEIPT.

PRM. TOT. 18474 4619

AREA CODE 932200

SUBTOTAL

286.26

57427

286.26

## OFFICE USE ONLY

PRTKEY=  
SEQ= 3631  
MTG=  
LOAN#=  
W

## FIRST HALF TAX AMOUNT

210.81

DUE OCT. 1, 2002  
DELINQUENT AFTER  
NOV. 1, 2002

## SECOND HALF TAX AMOUNT

210.81

DUE MARCH 1, 2003  
DELINQUENT AFTER  
MAY 1, 2003

INTEREST ON LATE PAYMENT  
IS 18% PER YEAR PRORATED  
MONTHLY AS OF THE FIRST  
OF THE MONTH. ARS 42-180

KEEP THIS  
PORTION FOR  
YOUR RECORDS

FULL CASH (SECONDARY) VALUES				SECONDARY			
TYPE	FULL CASH	%	ASSESSED				
LAND/BLDG PERSONAL EXEMPTION	18474	25.0	4619	FLOOD	10.72	2119	9.78
				CAWCD	5.00	1300	6.00
				OVERRIDES	5.36	2102	9.70
				FIRE DIST. ASST.	1.42	0076	.36
				LIBRARY	1.94	0421	1.94
				*BONDS**			
				-COUNTY	4.05	0800	3.69
				-CITY	37.97	9247	42.71
				-SCHOOLS	85.56	15297	75.28
				-COMM COL	7.04	1493	6.90
SEC. TOT.	18474		4619	SUBTOTAL	150.06	33885	155.36
SPECIAL DISTRICT (VALUE/ACRES/SQ FT) ASSESSED				DIST#			
IF NOT PAID BY DELINQUENT DATES, CALL OR WRITE FOR INTEREST AMOUNT					426.32	TOTALS	\$421.60

**COMPANY NAME: CAVE CREEK WATER COMPANY**

**YEAR ENDING: 12/31/2002**

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>0</u>
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
**SIGNATURE**

4/14/03  
**DATE**

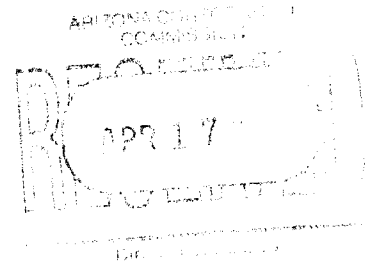
Jay George  
**PRINTED NAME**

President  
**TITLE**

See accountants' report.



HENRY & HORNE, P.L.C.  
ADVISORS TO BUSINESS



Cave Creek Water Co.  
P.O. Box 13507  
Scottsdale, AZ 85267

We have compiled the accompanying statement of utility plant in service, balance sheet, comparative statement of income and expenses (as of December 31, 2002 and 2001) and supplementary utility plant information, included in the Arizona Corporation Commission - Utilities Division annual report of Cave Creek Water Co. (a corporation) as of December 31, 2002, and the accompanying supplementary information which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation is limited to presenting in the form prescribed by the Arizona Corporation Commission - Utilities Division information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and supplementary information are presented in accordance with the requirements of the Arizona Corporation Commission - Utilities Division, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

*Henry & Horne, P.L.C.*

April 10, 2003

**Scottsdale Office**

7098 East Cochise Road, Suite 100 Scottsdale, Arizona 85253-4517  
480-483-1170 Fax 480-483-7126 [www.hhcpa.com](http://www.hhcpa.com)